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**450.10****Vendor Selection**

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**Number of vendors in area**

The Iowa WIC Program does not limit the number of vendors who may participate in an agency service area. If at all possible, at least one vendor contract will be maintained in all counties in the city where the WIC clinic is located.

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**Vendor application**

A vendor may apply as a grocery or special purpose vendor. Applications can be found following this policy.

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**Peer group assignment**

The vendor application collects information to allow assignment of each applicant to a peer group. The Iowa WIC data system automatically assigns each vendor entered in the system to a peer group using the following criteria:

- Type of vendor (special purpose or grocery)
- Number of registers (primary registers, not department)
- Ownership (sole owner/partnership or corporate)
- Total Gross Sales
- Supplemental Nutrition Assistance Program (SNAP) Eligible Sales
- Square Footage
- Geographic criteria (ranking from 1 to 5 with 1 being most rural and 5 being most urban).

The state office informs all vendors of this peer group criteria as well as the vendor's peer group assignment. State agencies do not share the peer group assignment of a vendor with other vendors, their representatives, or the public.

Note: The geographic ranking is determined using the ArcMap system and defining 10 mile increments from the edge of the nine major metropolitan areas.

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**Competitive pricing**

An initial shelf price assessment is included in the vendor application. These prices are compared with current vendors in the same peer group to determine whether the vendor is within 15 percent of the average prices charged by current WIC vendors. Shelf prices are verified at the time of the authorization visit by state WIC staff.

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## Vendor Selection, Continued

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**50 percent  
criteria**

New vendors are asked whether they anticipate more than 50 percent of total sales from the redemption of WIC food instruments. Vendors are not approved if they answer 'yes' to this question. The application also notifies vendors that they may be asked to provide documentation of their Supplemental Nutrition Assistance Program sales to verify that they continue to meet this criteria.

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**Assessment of  
50% criteria**

The 2014-2015 Vendor Assessment indicates there are no above-50% vendors in Iowa. Vendor assessment documentation is on file in the state WIC office.

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